geographical isolation, transport bottlenecks, natural calamities etc. have hindered the progress of the region. Though there had been a feeling of resentment over the slow pace of development in the region in the earlier phase, the people of North-East are now equal partners in the new developmental initiatives taken by the Government by way of removal of infrastructure bottlenecks, provisioning of basic minimum services, creating an environment for private and foreign investment and thereby break the vicious circle of economic stagnation of the region. The continuous efforts of the Government for softening of geo-political rigidities, institutional mechanisms for regular dialogue on security related matters of mutual concern with the neighbouring countries will help North-East to play its dynamic role for economic development in the region. The commitment of the Bangladesh and Myanmar Governments for not permitting and activity inimical to India's interest in their countries will also help in removing the impediments to lasting peace in the North-East.

Preclusion of IOC from bidding in oil PSUs

2215. SHRI K.B. KRISHNA MURTHY:
SHRI NILOTPAL BASU:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether post-IBP acquisition, Indian Oil Corporation has been precluded from bidding for stakes in other oil PSUs like HPCL and BPCL;

(b) if so, the reasons therefor;

(c) whether this decision by Government is based on the policy that the sale of one PSU to another would not amount to privatisation;

(d) the reasons for choosing IOC to bid for IBP; and

(e) whether preclusion of IOC from bidding for BPCL/HPCL stakes will lead to cartelisation and manipulation of valuation by other two bidders?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The Government decided to exclude Indian Oil Corporation (IOC) from bidding for the equity of Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) to induce competition in oil sector.

(c) No, Sir.

(d) Government invited expressions of interest for 33.58 per cent of the equity of IBP Co. Ltd. IOC is one of the several parties that submitted expressions of interest for acquiring the stake in IBP Co. Ltd. Since acquiring of IBP by any party would not have resulted in emergence of a monopoly in the oil sector, IOC was not excluded from participating in the disinvestment process of IBP Co. Ltd.

(e) No, Sir.

Creation of Disinvestment Fund

2216. SHRI MAN MOHAN SAMAL: Will the Minister of DISINVESTMENTbe pleased to state:

(a) whether it is a fact that Government have failed to meet the disinvestment targets for the Ninth Plan;

(b) if so, the reasons therefor;

(c) whether Government have finalised the creation of proposed Disinvestment Fund; and

(d) if so, the details thereof ?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir. Disinvestment process is an on-going process and each transaction has to go through an elaborate process of participative decisions making, i.e. elaborate consultations with the concerned administrative Ministries and stakeholders. For various reasons like market conditions, financial performance of the companies under consideration, terms and conditions of sale, interest of the bidders, time taken for due diligence by the interested parties etc. the completion of the disinvestment exercise may overshoot the